

446642

BEFORE THE
U.S. DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

RECEIVED
JAN 31 2 1:42

Application of

AIR MARSHALL ISLANDS, INC.

for renewal of exemption from
49 U.S.C. section 41301

Docket OST-96-1320 -24

APPLICATION OF AIR MARSHALL ISLANDS
FOR RENEWAL OF EXEMPTION

COMMUNICATIONS with respect to this document may be sent to:

DAN FITZPATRICK
General Manager
Air Marshall Islands, Inc.
P. O. Box 1319
Majuro, Marshall Islands 96960

LAWRENCE D. WASKO
1320 Old Chain Bridge Road
Suite 200
McLean, Virginia 22101

Tel: (202) 862 4370

Counsel for
Air Marshall Islands, Inc.

NOTICE: Any person may file an answer in support of or in opposition to this Application with the DOT within 15 days from the date of service and serve a copy on applicant and all persons served with this Application.

January 31, 2007

BEFORE THE
U.S. DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

Application of

AIR MARSHALL ISLANDS, INC.

for renewal of exemption from
49 U.S.C. section 41301

Docket OST-96-1320

APPLICATION OF AIR MARSHALL ISLANDS
FOR RENEWAL OF EXEMPTION

Comes now Air Marshall Islands, Inc. ("AMI") pursuant to 49 U.S.C. section 40109, and the Economic Regulations of the Department of Transportation ("Department"), and hereby applies for renewal of the exemption from 49 U.S.C. 41301, granted to it by Notice of Action Taken dated February 7, 2006, to conduct scheduled foreign air transportation of persons, property and mail between Majuro and Kwajalein, Marshall Islands, and Honolulu, Hawaii, and foreign charter air transportation between the Marshall Islands and any point in the United States. AMI invokes and relies upon the provisions of 5 U.S.C. 558(c) in accordance with the provisions of Part 377 of the Department's Special Regulations, as applicable. In support hereof AMI respectfully represents and alleges as follows:

1. In its previously filed application Docket 46504 for a Freely Associated Air Carrier Permit, and in several applications for exemption pending action on its request for a permit, AMI submitted extensive information consistent with Part 211 of the Department's Regulations. The information previously supplied about the company correctly reflects the condition of the company. AMI is compiling additional and up-dated financial and other information to be

included with this application and to be incorporated by reference in Docket 46504 so that the Department can act favorably and issue a permit to AMI as a Freely Associated State Air Carrier. AMI will supply such information under separate cover.

2. AMI is an IATA member air carrier, operating domestic flights since 1980 and international flights since 1984 to the island nations in the Pacific. It currently operates numerous schedules weekly in its mid-Pacific markets. Its flight operations and aircraft maintenance are conducted in compliance with the air regulations of the Republic of the Marshall Islands, monitored by the Director of Civil Aviation, and the requirements of ICAO Annex 6.

3. Mr. Dan Fitzpatrick is AMI's General Manager and the management team remain substantially as described to the Department..

4. The Balance Sheet Statement of Net Assets along with the Statement of Revenues and Expenses for AMI for the most recent Fiscal Year will be supplied to the Department.

5. AMI currently operates a fleet of Dornier 228-212 and DHC 8-102 aircraft. The Board of Directors of the company continues to evaluate the markets that AMI will serve to meet the requirements of the Republic of the Marshall Islands. The large aircraft combination scheduled service to and from Honolulu formerly operated by AMI remains suspended.

6. Renewal of AMI's authority is in the public interest. AMI continues to be wholly-owned by the Government of the Republic of the Marshall Islands and is a citizen of the Marshall Islands. All other information required to be supplied with this application is as set forth in this Docket or in Docket 46504 and is incorporated by reference herein.

WHEREFORE, in consideration of all of the foregoing, Air Marshall Islands respectfully requests that the Department of Transportation grant this application and issue it a further temporary exemption from 49 U.S.C. section 41301 to engage in foreign air transportation as

above-described, and that it take such further action and grant additional relief as may be in the public interest and consistent with the premises herein.

Respectfully submitted,

By: Lawrence D. Wasko
Lawrence D. Wasko

1320 Old Chain Bridge Road
Suite 200
McLean, Virginia 22101
(703) 356 8010

Counsel for
Air Marshall Islands, Inc.

January 31, 2007

CERTIFICATE OF SERVICE

I hereby certify that I have this 31st day of January, 2007 served a copy of the foregoing Application of Air Marshall Islands for Renewal of Exemption by first class mail, postage prepaid, on the following persons:

President George W. Bush
The White House
1600 Pennsylvania Ave., NW
Washington, DC 20500


United States
Department of State
Office of Aviation
2201 C Street, NW
Washington, DC 20520

Federal Aviation Administration
Director of Flight Operations
800 Independence Ave., SW
Washington, DC 20591

R. Bruce Keiner, Jr.
Crowell & Moring
1001 Pennsylvania Avenue, NW
Washington, DC 20004
For Continental Micronesia

Marshall Sinick
Squire Sanders & Dempsey LLP
1201 Pennsylvania Ave., NW
P.O. Box 407
Washington, DC 20004
For Aloha Airlines, Inc.

Jonathan B. Hill
Dow, Lohnes & Albertson
1200 New Hampshire Ave., NW
Suite 800
Washington, DC 20036
For Hawaiian Airlines



Lawrence D. Wasko